



Louisiana Housing Finance Agency

The following resolution was offered by Commissioner J. Mark Madderra and seconded by Commissioner Donald B. Vallee:

RESOLUTION

A resolution conditionally authorizing the removal of the Co-General Partner, Olsen Securities Corporation (OSC), from CGH Partners 2007, L.P. (Scattered Site, Orleans Parish), with respect to project's submitting a request for such removal of the General Partnership, and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency" or "LHFA") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in applying for, implementing, allocating or administering programs, grants and/or resources made available pursuant to Section 42 of the Internal Revenue Code (the "LIHTC Program"); and

WHEREAS, the staff of the LHFA has received a request to approve the removal of one of the General Partners, Olsen Securities Corp., evidenced in the original Tax Credit Application (the "Original Application") of the taxpayer/owner of CGH Partners 2007, L.P.; and

WHEREAS, approval of removal of one of the General Partners, Olsen Securities Corporation, identified in the original application to allow a new General Partner would otherwise constitute a material change, except that the Governor's Office of Community Development (the "OCD") has communicated a continued commitment to the project; and

WHEREAS, the approval of the change in the managing partner with the concurrence and approval of OCD is to permit CGH Partners 2007, L.P. to be completed and to provide the needed affordable housing in one of OCD's priority parishes, but that the approval of such removal shall not stand as precedent for any change in the future, since this change is solely the result of OCD's infusion of substantial amounts of Community Development Block Grant (the "CDBG") Funds; and

WHEREAS, the Agency has received a favorable feasibility and viability analysis of the project's reprocessing application; and

WHEREAS, OCD has reviewed the resumes of the co-developers, and has determined that it will accept the co-developers within the definition of "substantial

developer", subject to sufficient contractual language regarding Mr. Peralta's serving as co-developer with First NBC Community Development, L.L.C., and Mr. Peralta's having responsibility and control of decision making in the project, disclosure of to whom the developer fee is being paid, and subject to no future changes of control of the co-developer arrangement; and

WHEREAS, staff has reviewed the request for the removal of the current Co-General Partner, Olsen Securities Corporation, subject to the following conditions being satisfied or Agency's staff or counsel finding equivalent

a) submission of satisfactory evidence of a surety sufficient to guaranty the completion of the project as evidenced in a new LIHTC reprocessing application

b) submission of a guaranty of OCD's CDBG loan by key principals with sufficient net assets and liquidity to pay back any advance of CDBG funds to OCD in the event that the construction of the project is not completed

c) receipt of an acknowledgement and agreement by the construction contractor that the project will be completed within the construction budget evidenced in the reprocessing application and within the specified timeline in the application

d) receipt of a report by an independent third party construction consultant retained by LHFA at the developer's expense that the estimate and certificate of actual costs and/or schedule of values is fair, reasonable and consistent with the costs of constructing similar projects within the geographic market of this project

e) receipt of written approval from OCD that it accepts the removal of Olsen Securities Corporation from its role as General Partner and that the proposed developer meets the definition of "substantial developer," subject to whatever conditions OCD finds necessary to protect its interest in the development

f) inclusion of Michael Peralta as one of the developers with CCCI

g) receipt and a satisfactory hold harmless agreement from Olsen Securities Corporation with respect to the LHFA's concurrence in its removal as General Partner

h) submission of a complete reprocessing application, including all financial and other documentation required as though the reprocessing was an original tax credit application and receipt thereafter of a report from Foley & Judell indicating that the project remains feasible and viable

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

SECTION 1. Staff's recommendation to conditionally allow the removal of Olsen Securities Corporation as the Co-General Partner is hereby approved subject to all of the conditions enumerated in the preamble hereto which is hereby incorporated by reference hereto being satisfied.

SECTION 2. The LHFA staff and counsel are authorized and directed to prepare such documents and agreements as may be necessary to implement the Board's actions.

SECTION 3. The Chairman, Vice Chairman, President, Vice President, and or Secretary of the LHFA be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the LHFA, the terms of which are to be consistent with the provisions of this resolution as approved by the LHFA counsel.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Michael L. Airhart, Alice Washington obo John N. Kennedy, J. Mark Madderra, Mayson H. Foster, Donald B. Vallee, Walter O. Guillory, Joseph M. Scontrino, III, Katie Anderson, Elsenia Young, Neal P. Miller

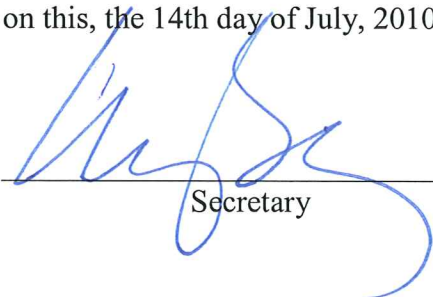
NAYS:

ABSENT: Allison A. Jones, Guy T. Williams, Susan W. Sonnier, Jerome Boykin, Sr. , Tyrone A. Wilson

And the resolution was declared adopted on this, the 14th day of July, 2010.



Chairman



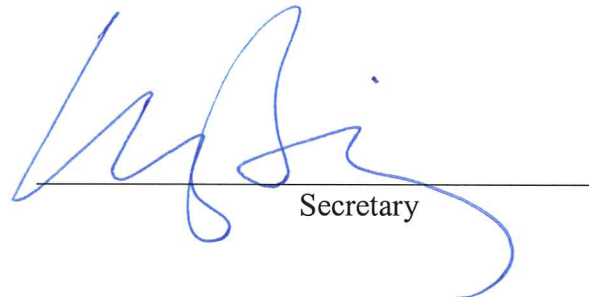
Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board on July 14, 2010 entitled, "A resolution conditionally authorizing the removal of the Co-General Partner, Olsen Securities Corporation (OSC), from CGH Partners 2007, L.P. (Scattered Site, Orleans Parish), with respect to project's submitting a request for such removal of the General Partnership, and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the LHFA on this, the 14th day of July 2010.



Secretary

(SEAL)